

**Redondo Beach  
Unified  
School District**



1401 Inglewood Avenue

Redondo Beach

California 90278-3999

Tel. 310 379-5449

Fax 310 798-8610

DOCKET FILE COPY ORIGINAL

September 5, 2000

**RECEIVED**

**SEP 7 2000**

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street SW RoomTW-A325  
Washington, DC 20554

Federal Communications Commission  
Office of Secretary

In the Matter of: Request for Review by Redondo Beach Unified School  
District of Decision of Universal Service Administrator in reference to FCC  
Docket Nos. 97-21 and 96-45

Pursuant to § 54.719 (a)-(c), the Redondo Beach Unified School District is requesting a review of the Universal Service Administrative decision to deny funding for the installation of an infrared infrastructure in classrooms allowing students access to Internet. The district's interest in the decision is based upon three items of merit:

- 1) The original request for funding was not understood by employees of the School and Libraries Division who were not familiar with the use of infrared for connecting to Internet
- 2) The original decision was based upon a "re-bid" requirement which when followed still results in a sole source vendor
- 3) The initial appeal contained all relevant material needed by SLD to fund the district's telecommunication request and to honor the intent of the original legislation.

The relevant and material facts that support our request for a review are:

- 1) The initial denial in September 1999 was based upon meeting contract date forms. The stated reason for denial was that "contracts awarded between July 11, 1997 and February 27, 1998 need to be re-bid for Year 2 funding". Late in 1998 and early 1999, SLD itself was having extreme difficulty meeting its timeline and dates for submission. This denial is based on the fact that we were too soon. Our small district, which only qualifies for 49% funding, was moving forward to install Internet for our high school students. The district invested almost one million dollars in a wireless infrared solution to provide each ninth grader (600 students) with a laptop connecting to Internet. The district bore the burden of this program but sought ERATE funding for the telecommunications portion of the infrared infrastructure. Although communication with SLD was difficult (most lacked knowledge to respond to infrared wireless connection questions), the district was told to proceed with preparing the application. The wireless infrared solution is one that allows older school buildings, such as our 95-year-old high school, to provide Internet connections for every student in a room without having to upgrade the electrical capacity. **A penalty for an early signature with a sole source vendor is unreasonable.**

No. of Copies rec'd 0  
List A B C D E

2) The original information was posted on our web site and fulfilled the requirement for the bid process. Because this particular item is a sole source solution, the bidding process was actually a renewal of the original agreement with NetSchools Corporation to wire the rooms for infrared access to Internet. This denial is based on the fact that the contract was signed two weeks before that allowable date on Form 471. We understand that the bidding process has these time limitations; however, in the case of sole source vendors, it does not appear to have harmed any other potential vendors that the contract date is February 5<sup>th</sup> and not February 19<sup>th</sup>.

3) The district spends countless hours trying to fulfill the terms of ERATE and has yet to benefit substantially from this service. The original denial stated that Client Service Representatives are available for assistance; yet it has been our experience that they are not knowledgeable enough to deal with wireless solutions for telecommunications. The fact that NetSchools is a sole source vendor for this new and advanced technology should be taken into account when reviewing this case.

4) The intent of ERATE is to get Internet access to students; it is reasonable to review a request that directly affects the district's attempt to comply with this intent.

**Redondo Beach Unified School District is seeking a reversal of the denial for telecommunication services in the amount of \$162,000 to be reimbursed by ERATE funds at 49%. The NCS bar code for this action is: NEC.471.02-08-99.04100119**

Thank you for your consideration of this request for review.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia Hosken", with a long horizontal flourish extending to the right.

Patricia Hosken  
Director/ Instructional Technology  
Redondo Beach Unified School District



Schools and Libraries

Division

P.O. Box 7026

Lawrence, KS 66044-7026

Or

3833 Greenway Dr.

Lawrence, KS 66046

September 17, 1999

**Re: NCS Bar Code: NEC.471.02-08-99.04100119**

Tim Baumgartner  
Redondo Beach Unified  
1401 Inglewood Avenue  
Redondo Beach, CA 90278

Dear Applicant:

This letter is to notify you of rejection of some of the Funding Requests made on your FCC Form 471, *Services Ordered and Certification Form*, Funding Year 2. One or more of the Funding Requests as set forth in a row(s) of Items 15 or 16 did not meet Minimum Processing Standards and cannot be processed. Be sure to check your copies of all Form 471s you have submitted for the listed USCNs or for blank USCNs.

*Funding Requests that are not cited below will be processed and should not be resubmitted.*

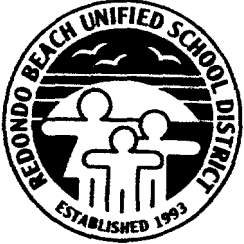
<b>Service Type:</b>	Telecommunication services
<b>Pre-Discount Cost:</b>	\$62,016.00
<b>Discount Percentage:</b>	50
<b>Reason for Denial:</b>	A contract for a Form 470, which was posted to the SLD Web Site, was signed prior to the 28-day waiting period computed from the day of the posting of the Form 470 to the SLD Web Site. (See Column 4, Item 15/16)

<b>Service Type:</b>	Telecommunication services
<b>Pre-Discount Cost:</b>	\$162,000.00
<b>Discount Percentage:</b>	50
<b>Reason for Denial:</b>	Contracts awarded between July 11, 1997 and February 27, 1998 need to be re-bid for funding year 2.

We also encourage you to visit the SLD Web Site if you have Internet access, at [www.sl.universalservice.org](http://www.sl.universalservice.org). The Web Site provides Minimum Processing Standards and the "Form 470 Search Posted" tool which allows you to verify the USCN, completion status, and the Allowable Contract Date of your Form 470. Additional assistance is available by calling the Client Service Bureau at 1-888-203-8100 and by e-mail at [question@slcfund.org](mailto:question@slcfund.org). Client Service Representatives are available from 8:00 a.m. to 8:00 p.m. EST, Monday through Friday.

**Schools and Libraries Division of Universal Service Administrative Company**

**Redondo Beach  
Unified  
School District**



1401 Inglewood Avenue  
Redondo Beach  
California 90278-3999

Tel. 310 379-5449  
Fax 310 798-8610

**Board of Education**

Valerie Dombrowski  
Rebecca Sargent  
Robin Shaw  
David Wiggins  
Zeke Zeidler  
Duncan Avery  
Student Member

**Superintendent of Schools**

William E. Nunan

October 15, 1999

Letter of Appeal  
Schools and Library Corporation  
Box 125-Correspondence Unit  
100 South Jefferson Road  
Whippany, New Jersey 07981

Re: Letter of Appeal  
NCS Bar Code: NEC.471.02-08-99.04100119

**To Whom It May Concern:**

This letter of appeal is a response to your letter of rejection dated September 17, 1999 but not received by our district until September 29, 1999.

In the matter of Telecommunication services listed with a Pre-Discount Cost of \$62,016.00, the district has decided not to accept the bid and will not be challenging this rejection.

**In the matter of Telecommunication services with a Pre-Discount Cost of \$162,000.00, the district is sending this Letter of Appeal. No Funding Request Number (FRN) was assigned.**

**Applicant Name: Redondo Beach Unified School District  
Form 471 Application #: 129811  
Billed Entity # from FCD Letter: 143492**

Your stated Reason for Denial indicates that contracts awarded between July 11, 1997 and February 27, 1998 need to be re-bid for Funding Year 2. Redondo Beach Unified School District did submit a contract that was originally signed on October 22, 1997. When applying for Year 2 Funding, the district included this contract **because** it is the binding contract that applies for both years' funding. The portion of the contract which deals with installing the infrared infrastructure for students to access Internet from the various classrooms is the cost item that qualifies the district to apply for funding for Year 2. A letter from NETSchools Corporation verifying the installation cost in Year 2 was submitted with Form 471 (per your verbal instructions). In order to meet your needs to show that this is a contract that applies to Year 2 funding, the **principal** parties for both sides of the contract have signed an extension agreement which was made but not submitted with the E-rate application. Please review the enclosed document (our fax copy) and ascertain if this meets the needs for contracts awarded in Year 2. If you require an original copy, please notify us and we will have both parties sign and send one to you. The district must retain originals for audit purposes. The contract extension was signed by William E. Nunan, Superintendent for Redondo

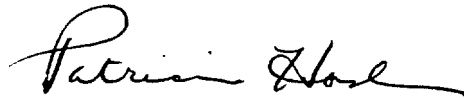
Beach Unified School District, and E. L. Rivera, K-12 Executive for NETSchools Corporation. Additionally, a copy of the Certificate of Governmental Use with the appropriate extension and signature of Mr. Nunan is included. If you require an original signature, please let us know and we will provide one.

Redondo Beach Unified School District has embarked upon a very innovative and challenging process for giving Internet access to students. In keeping with the purpose of E-rate funding, this telecommunications service is critical to our providing Internet access in the classroom. We are most willing to work with you to ensure that our schools can benefit from E-rate funding.

Please address your response to:

Patricia Hosken  
Director of Technology  
Redondo Beach Unified School District  
1401 Inglewood Avenue  
Redondo Beach, CA 90278  
Telephone: 310-798-8608 x252  
Fax: 310-798-8610  
Email: [hosken@bnet.org](mailto:hosken@bnet.org)

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia Hosken", written in a cursive style.

Patricia Hosken

Cc: William E. Nunan, Superintendent  
E. L. Rivera, NETSchools Corporation  
Yolanda Ramirez, Administrative Assistant, E-rate Application

### 5.7 Execution of Agreement

This Agreement, including its terms and conditions and its attachments, Transaction Documents and Amendments, currently attached hereto and signed by authorized representatives of both parties, is a complete and exclusive statement of the agreement between the parties, which supersedes all prior or concurrent proposals and understandings, whether oral or written, and all other communications between the parties relating to the subject matter of this Agreement. This Agreement shall not be effective until executed by Redondo Beach Unified School District and an authorized representative of NetSchools.

By execution, signer certifies that signer is duly authorized to execute this agreement on behalf of Redondo Beach Unified School District.

Redondo Beach Unified School District

By: [Signature]

Dr. Barry Rivera  
(Print name)

Title: Superintendent of Schools

Date: 10/22/97

By execution, signer certifies that signer is duly authorized to execute this agreement on behalf of NetSchools.

NetSchools Corporation

By: [Signature]

E. L. Rivera  
(Print name)

Title: K-12 Executive

Date: 10/22/97

By execution, signer certifies that signer is duly authorized to execute an extension of this agreement on behalf of the Redondo Beach Unified School District for 1998-1999.

REDONDO BEACH UNIFIED SCHOOL DISTRICT

By: [Signature]

William E. Nunan

Title: Superintendent

Date: April 8, 1999

By execution, signer certifies that signer is duly authorized to execute an extension of this agreement on behalf of NETSchools Corporation for 1998-1999.

NETSCHOOLS CORPORATION

By: [Signature]

E. L. Rivera

Title: K-12 Executive

Date: 4/8/99

**EXHIBIT E**  
**CERTIFICATE OF GOVERNMENTAL USE**

The capitalized terms used herein shall have the meanings as defined in the Lease With Option to Purchase Agreement No. 97 - 01, dated as of October 30, 1997, by and between the Redondo Beach Unified School District (the "Lessee") and NetSchools Inc. (the "Lessor").

The undersigned duly qualified and acting Superintendent, on behalf of the Lessee, hereby certifies:

1. The Property described in Exhibit A of the Lease With Option to Purchase Agreement No. 97 - 01 between the Lessee and Lessor is essential to the Lessee in connection with the performance of its governmental or proprietary functions.
2. The Lessee has an immediate need for and expects to make immediate use of the Property, the need for which is not temporary or expected to diminish in the foreseeable future.
3. The Lessee will be the sole owner of and be the sole actual and beneficial user of at least 95% of the Property.
4. The Lessee agrees that during the term of this Agreement, the Property will be used by the Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

REDONDO BEACH UNIFIED SCHOOL DISTRICT

By: 

Dr. Beverly Rohrer, Superintendent

Date: 10/27/97

CERTIFICATE EXTENSION FOR 1998-1999

REDONDO BEACH UNIFIED SCHOOL DISTRICT

By: 

William E. Nunan, Superintendent

Date: April 8, 1998 Wsn

October 22, 1999

Patricia Hosken  
Redondo Beach Unified School District  
1401 Inglewood Ave.  
Redondo Beach, CA 90278

RECEIVED  
REDONDO BEACH UNIFIED SCHOOL DISTRICT  
ADMINISTRATIVE SERVICES

OCT 27 1999  
AM  
7:18 AM

PM  
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The Schools and Libraries Division of the Universal Service Administrative Company has received your correspondence regarding the 1999-2000 funding decision on your application. Here are the steps that will now follow:

1. We will review your correspondence carefully to identify its specific focus, and to determine whether it is an inquiry (seeking further information about a decision) or an appeal (seeking a change in a decision).
2. In either case – an appeal or an inquiry – we will consult the program integrity assurance records and all supporting documentation for the application. Our goal is to determine whether the program rules were administered appropriately in processing your application.
3. In the case of an appeal, once the review process is completed we will respond in writing and state whether your appeal is approved, denied or approved in part. We will then follow with a funding commitment decisions letter for any approved appeal resulting in additional discounts for your application. Funds have been set aside to implement funding decisions for appeals approved by the SLD and/or the Federal Communications Commission.
4. In the case of an inquiry, we may respond via telephone call, E-mail or written letter.

We plan to begin in-depth review of all appeals and inquiries in the Fall of 1999, after funding commitments have been completed for 1999-2000. Once the review process begins, our goal is to respond to you as quickly as possible. We thank you in advance for your patience as we handle your case with the care and attention it deserves.

Schools and Libraries Division  
Universal Service Administrative Company





UNIVERSAL SERVICE  
ADMINISTRATIVE CO.

**SCHOOLS AND LIBRARIES DIVISION**

Box 125 – Correspondence Unit  
100 South Jefferson Road  
Whippany, New Jersey 07981

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**Administrator's Decision on Appeal - Funding Year 1999-2000**

August 8, 2000

Patricia Hosken  
Redondo Beach Unified School District  
1401 Inglewood Avenue  
Redondo Beach, CA 90278

Re:   Billed Entity Number:       143492  
      Application Number:        129811  
      Funding Request Number(s): New funding request with Net School  
      Your Correspondence Dated: 10/15/99

After thorough review and investigation of your appeal, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has resolved your appeal seeking approval of additional discounts for the second program year. This letter addresses our decision concerning each Funding Request Number that was included in your letter of appeal for the Application Number cited above. If your letter of appeal addressed more than one Application Number, a separate letter will be issued to inform you of our decision on the appeal of each Application Number.

Funding Request Number:   New funding request with Net School  
Decision on Appeal:        Denied in full

**Denial Reason(s):**

- SLD posted your FCC form 470 on January 22, 1999 and set the allowable contract date as February 19, 1999, therefore the service was re-bid. However the Form 471 was prepared and submitted prior to the Allowable Contract Date. (The 28<sup>th</sup> day after posting the Form 470 on the SLD Web Site) We have confirmed this by examining the date that you signed your application (Line 31 signature date, 2/5/99) This date was before the 28<sup>th</sup> day after the posting date of your Form 470, therefore your application did NOT comply with the program rules governing the preparation and submission of Form 471. Please note that, additional funding requests beyond those included on the original 471 can only be considered if included on a new 471.

If you feel further examination of your application is in order, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12<sup>th</sup> Street, SW, Room TW-A325, Washington, DC 20554. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted to the SLD Web Site at <[www.sl.universalservice.org](http://www.sl.universalservice.org)>. You must file your appeal with the FCC no later than 30 days from the date of the issuance of this letter, in order for your appeal to be timely filed.

You should now move ahead, if you haven't already done so, with your Form 486 and related post-commitment arrangements for services for which funds have been committed and services have begun to flow. We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company